

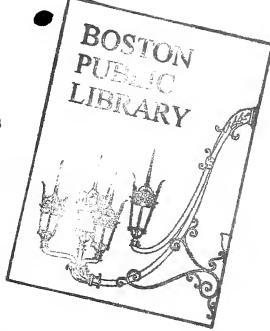


Digitized by the Internet Archive in 2011 with funding from Boston Public Library

http://www.archive.org/details/letterdated6apri00bost

GOVDOC BRA 4659

April 6, 1973



Mr. Robert Beckham Journal of Housing The Watergate Building 2600 Virginia Avenue Washington, D.C. 20037

Dear Mr. Beckham:

Re, our phone call sometime ago on a possible story by Bob Kenney, Director of the BRA, on our experiences with a privately-financed urban renewal project, here are a few salient facts on the situation.

As I mentioned, the experience we have had with Park Plaza seems rather pertinent in view of the Nixon administration saying that local initiative should be used in place of Federal programs in renewal. In fact, among other things, the Park Plaza story to date does raise some questions about the viability of privately-financed renewal, or such projects taking placed without new attitudes and perhaps new legislation.

This is the story of a proposed privately-financed urban renewal project, and the three-year battle that has been fought by the Boston Redevelopment Authority to obtain necessary approvals for that project, so that the developers can undertake redevelopment that is vital to the economic future of Boston.

It is also the story of what can happen when a city, because Federal funds are not available for large-scale downtown renewal, turns to the private sector and offers to assist private interests undertake renewal. The city offered the rights of eminent domain held by its redevelopment authority and, in terms of funds, the relatively small amount involved in street improvements and utility work in the project area.

The project is Park Plaza, a 35-acre site situated between Boston's Back Bay and downtown-retail area. The plan is to construct high-income housing, a new convention hotel, an office tower and quality retail and dining facilities. At present the area is a mixture of pornographic movie houses, dating bars, parking lots, bus terminals and other assorted uses which add up to economic underutilization, at least, and blight, by most reasonable standards.

ELEL THUM

ournal of models;

Journal of models;

Ind mater old mallata

Libe Virginia av mes

masnington, old.

Carried Min 1051

New Destruction is well conducted and the description of the destruction of the destructi

As I mentional, and capabishs we have had after form four four four start shart in view of the after identifiers of a feet in a local initial or should be seen in place of Pacarda professes in teneral. In fact, a unit control things, the main view after adias raise since a colfinal view view of privately-finance and the after one colfines about the missing of the private of the professes in a recent of the saing of the without her actiones and professes indicates.

This is and story or a property confidence of the confidence of a contract of a confidence of the conf

ic is also the second of the case that a then a city, a court leading funds are not not excluded a for interesting and interesting the interesting and a control of the action of the action of another and a city of the right of another a therefore a the action of funds, and a therefore a model and the city of the control of funds, and a therefore a management of the city of th

The project is an electrical above the size of the size of the description of all the project is any and continued to the size of the size

Park Plaza, it must be pointed out, did not come about because some planner thought this might be nice for the area. Rather, part of the General Plan for Boston had included a concept known as the "high-rise spine". This was an attempt--long before it became fashionable--to have high-rise buildings confined to a certain axis with other sections of the city, most notable the Back Bay and Beacon Hill, areas in which no high rise would be allowed. Thus, the high-rise spine ran from the Prudential Center, at one end of the Back Bay, through Copley Square, into what would be Park Plaza and then down into the financial area of the city.

The Park Plaza area is the last link, the remaining segment, to be redeveloped along this plan. If and when completed, it would mean that Boston, within a period of 10 to 20 years, had completely redeveloped its core even while it preserved those historic districts and neighborhoods which bordered the axis of the high-rise spine.

Another interesting facet to the Park Plaza plan was that it evolved out of the first cutbacks the Federal government exercised on downtown renewal projects. Park Plaza was part of the Central Business District plan, a \$100 million renewal project slated for Boston's downtown, or rather its retail district. In 1968, the Department of Housing and Urban Development informed the city that it would not fund the Central Business District plan. Some funds were made available for two mini-projects in the CBD and other funds finally were provided for the city to move forward with the South Station project, which had also been part of the original CBD proposal. But the Park Square area--which will probably always be known as Park Plaza from now on whether or not Park Plaza is ever built--would have to be redeveloped by private interests.

What were the ramifications of this, in terms of renewal? Well, Park Plaza, because it was going to be done with private financing, was planned in such a way that would most attract investor interest and with the maximum marketability possible for such a project. Thus, the so-called Combat Zone parcels—the area of greatest blight—would be redeveloped after the three parcels which border on the Public Gardens and Boston Commons, generally considered to be the prime parcels of the project.

Support for the project was widespread in the business community, the media, and groups from nearby neighborhoods, particularly the Back Bay Federation. What opposition that arose came primarily from envoronmentalists who were concerned at the effect of shadows which might be cast on the Public Garden and Common from the high-rise buildings across the street and from assorted political figures who for various reasons often oppose the Mayor.

Part. Plaza, it must be point unout, did not coult and the could not could be couse that planter thought this dignt be nice for one area. Inthic, part of the leaded Plan for poston and individuals of cert known as the "of hardse spine. This was an actempt—long derivation for became fashionable—to make if not hardse or individual confined to a certain axid with other south as of the city, make notable that back bay and bence if it, arise in dignorable builty and bence in from the review of the research tentiar, at one and of the oack the night that arise spine and from the world and in the financial area of the oach in the financial area of the oach the financial area of the often.

Inc Park Plant area is the last link, the receiving sequent, to be presented by redeveloped along this plant. If and when completed, it bears that the some took the second and completely and the period of the core cven while it preserved those his toric districts and not abornoous which bordered the axis of the high-rice spine.

Another interesting facet to the Park Flaza plan ets that it svolved out of the lifts cutaecks blue Ferenal government exacts set on nowhbord renewal projects. Park Plaza was part or the Central Susiness likeriet elem, a plan million renewal project alated for notion's content of the set of the liverage of the renewal project alated for notion of the city that it would not thm. The testing and the city that it would not thm. The the city that it would not one finds funds were nade available for the city to now for are the Club and other finds finally were provided for the city to now for are with the Sauth Station project, which had also need part of the criginal Colorism that the project, which had also need part of the criginal Colorism to real Park Square area—which will probably they be known to real Park Plaza from on whether or not Park Flaza is ever built—whall once the redevel pee by private interests.

What were the remiffications of this, in beams of remember of 1]. Farr Plaza, because it was yoing to be done with private tinancing, was planed in such a way that would nost attract investor interest and with the marketability possible for over a project. Thus, the se-called trabactor one parcels—the area of greatest alreaders and redevelored after the order parcels which border up the table darders and corten or ons, generally one sidered to be one one or in the project.

Support for the project was inclimpred in the basiness containing and groups the containing and groups from learny neighborhoods, herefolded in ascinct for peoples from learny neighborhoods, herefolded in ascinct from the concorned of challows this of crisis and the concorned of the concorned of challes of challons this of the concorned of the concorned of the containing supposes the concorned of the containing supposes the containing of th

The City Council hearings on Park Plaza went from September to December, 1971, with approval coming at the end of the year.

Park Plaza would involve no Federal or state subsidy, but under Massachusetts law, urban renewal projects which will use eminent domain must be approved by the Commissioner of the State Department of Community Affairs. The approval is issued only after the Commissioner holds public hearings on the project.

A group of Park Plaza tenants—led primarily by three principal land owners in the area—launched their strongest legal battle against Park Plaza before and during these hearings before the state. In fact, there was an attempt made to have the state substitute the regular administrative hearings for hearings which would be adjudicatory in nature, complete with cross—examination and sworn testimony. The battle on that point reached the state Supreme Judicial Court, with the Court ruling that the hearings could not be an adversary proceeding.

In the meantime, administrative hearings had been held. Then, last June, the Department of Community Affairs rejected the Park Plaza plan.

The state agency questioned the completeness of the plan, its impact on the environment, the financial feasibility, the provisions for relocation and the extent of blight in the area.

I think I'm not being biased when I say that judgement met with puzzlement in many quarters. There was some speculation that the Governor wanted to get back at the Mayor (his opponent in the last campaign and a potential opponent in the next) and there was talk that Miles Mahoney, recently appointed commissioner of DCA, was a low-income housing proponent who would never approve a project that consisted primarily of luxury housing.

Immediately, the media and labor leaders joined with members of the business community in condemning the action of the state agency. Protest against the DCA rejection culminated in a march by 20,000 hard hats to the Capitol building, where they demanded that the Governor step in and overrule the decision made by Mahoney.

The Governor instructed the Commissioner of the Department to begin negotiations with the BRA. He wanted the two agencies to work out any differences so that the plan could be resubmitted and approved.

These negotiations continued over several months and last November the Governor announced that a resubmission would be made and that he presumed it would be approved.

The blog seasons sourrings on the children from the control of the children approve. Contagnition to see the first poet.

Park Pland Poul for the least of seast of sea, - subside out the manage of the same of the same that the manage of the sea of the same of the

A proud of Park Plaza out carried brits strangest legal to the common of a Plaza before in out of the content o

in the madrine, about his trative equipment has been not a live, and disc. The begandment of Community Afrairs rejected to be and Plaza Man.

The state archey yourdined one detailed of the province for health on the health one the environment, the finance of fear of they, the province for relacation of the extent of blinds in the area.

I chink I'm now being missed when I say mad judger we wet with all a name neary quarteers, there was some spaculation what the Gry more northwest the back at the blayer (not opported to the last cashed and the shayer (not opported to the last cashed and the next) and their was halk cast Wiles Takeney, menusive product commissioner of with, was a last-shoot massed near northwest who members also as it even to the commission of the continuents of the consistency of the continuents.

Issaesiavely, the serie cases cases and the series in the state against the business of the business seminary in convenienting one action of the state against the convenienting one action of the state against the convenient to the conveniential and the series of the conveniential and the against the object of the conveniential and the object of the o

The inversion instructed the Control of the Control

Posta negero (1994) and alter cover several addission for over 1000 Several Several Several Several Several Several Additional Addit

There followed another round of public hearings and, again, the state rejected the plan. At this point the Governor asked the Commissioner of the Department, Miles Mahoney, to resign. He said the Commissioner insisted on a narrow interpretation of the state rules and that the Commissioner's personal philosophy was such that he was restricting economic development throughout the state.

So we arrive at this point in the sketchy history I'm sending you. We are preparing another submission on Park Plaza. We are convinced that the first two submissions should have been approved. We do think the Commissioner's personal feelings towards the plan caused him to marshal the evidence in such a way as to find the plan illegal.

But more to the point, an underlying problem with Park Plaza is that the state is using the criteria for Federally-funded projects in making the determination on the legality of Park Plaza. They say, for instance, that the Combat Zone parcels should be developed first and that would probably be the case if the Federal government was providing the funds to acquire the sites and prepare them for development. But with private investors providing all funds for the project, it is only logical that redevelopment begin on the parcels which are most likely to provide a return to the developers. The state says that specific plans for these Combat Zone parcels means the plan is incomplete and therefore they cannot approve Park Plaza. We, of course, counter with the argument that the developer has agreed to submit a detailed plan for those parcels within three years after he has begun development of the first parcel. We also contend that the development on those first parcels would have spilled over into the Combat Zone and made it more feasible for private investment to undertake redevelopment there.

So the argument goes, . . .we see Park Plaza as a plan which must be tailored to the peculiarities of privately-financed redevelopment. The state is applying the criteria it has used for all renewal projects up to now, renewal projects which have had the dollars supplied by the Federal government. At present, we are preparing another submission to the state, and we are confident that approval will be forthcoming.

What I am proposing, I think, is not so much a story on the pros and cons of Park Plaza, but I am saying that a story, in the first person by Robert T. Kenney, would provide some insight on the whole matter of privately-funded urban renewal and the difficulties which might ensue when a city tries to sponsor such projects.

Sincerely,

Ralph Memolo
Public Information Officer

There followed and her noted to passid rearings of a sing rejected that plans of the continue of the continue that the continue of the continu

So we arrive actinis point in the cittle, a stray the eight of are preparing another statisted on may elare the control of any strains another statisted on may be approved to the control of the control

State is using the criteria for Jeoer dly-fonded projects in the armound determination on the logality of Barr blace. They report in the combat Zone parcels should be disclored first and feet where the case if the Combat Zone parcels should be disclored first and frequency of the case if the forest interpretation of the case if the case of the case of the case of the case of the sand prepare them for development. The wite strateging and containing all funds for the project, it is an injected that for the project, it is an injected which are also be the case of the

Made I was proposited. In this, in the secondary secondary of the resonance of Park Plaza, and I are regime trace as server, in case first corrective secondary, would are visited and trace and trace with correct secondary and are considered and the secondary are considered and the secondary are considered as a secondary.

of each of the